

**DEPARTMENT OF THE AIR FORCE**Headquarters Air Force Materiel Command
Wright-Patterson Air Force Base Ohio64-10
FAR 1 & 15
C. Ficklin

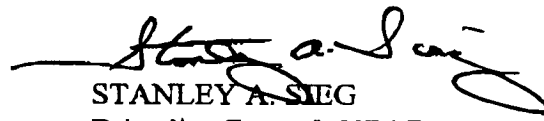
30 JAN 2001

MEMORANDUM FOR SEE DISTRIBUTION

FROM: HQ AFMC/PK
4375 Chidlaw Road, Room S208
Wright-Patterson AFB OH 45433-5006

SUBJECT: Defective Pricing Procedures

1. We want to clarify the Air Force Materiel Command (AFMC) defective pricing procedures pursuant to AFFARS case 00-10, 27 Dec 00, which rescinded SAF/AQC policy and AFFARS 5315.407-91-5 defective pricing direction.
2. The new procedures effective immediately are as follows:
 - a. Review of prenegotiation objectives, documentation and disposition of defective pricing audit reports is delegated to each center at a level not lower than one level above the contracting officer.
 - b. Centralized defective pricing organizations shall provide status of defective pricing cases semiannually to applicable contracting organizations (e.g., SPO.)
3. This policy will be replaced by AFMCFARS language in the next six months.
4. Our point of contact for this action is Karl Heiland, HQ AFMC/PKPC, DSN 787-6863, e-mail address karl.heiland@wpafb.af.mil.


STANLEY A. SIEG
Brigadier General, USAF
Director of Contracting

Attachment:
SAF/AQC Memo, 27 Dec 00, w/2 Atch

2001-6-A

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